

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



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06/03/2019

#265

COMPANIES HOUSE

1 Company details

Company number 0 6 1 4 4 5 8 9

Company name in full Stamp End Garage Ltd

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Gareth David

Surname Rusling

3 Liquidator's address

Building name/number 3rd Floor

Street Westfield House

Post town 60 Charter Row

County/Region Sheffield

Postcode S 1 3 F Z

Country

4 Liquidator's name ①

Full forename(s) Claire Elizabeth

Surname Dowson

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 3rd Floor

Street Westfield House

Post town 60 Charter Row

County/Region Sheffield

Postcode S 1 3 F Z

Country

② Other liquidator
Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 1	^d 9	^m 0	^m 1	^y 2	^y 0	^y 1	^y 8
To date	^d 1	^d 8	^m 0	^m 1	^y 2	^y 0	^y 1	^y 9

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 2	^d 8	^m 0	^m 2	^y 2	^y 0	^y 1	^y 9
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LIQ03

Notice of progress report in voluntary winding up



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Gareth David Rusling
Company name	Begbies Traynor (SY) LLP
Address	3rd Floor
	Westfield House
Post town	60 Charter Row
County/Region	Sheffield
Postcode	S 1 3 F Z
Country	
DX	
Telephone	0114 2755033



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☒ The company name and number match the information held on the public Register.
- ☒ You have attached the required documents.
- ☒ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Stamp End Garage Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 19/01/2018 To 18/01/2019 £	From 19/01/2018 To 18/01/2019 £
	ASSET REALISATIONS		
3,000.00	Furniture & Equipment	NIL	NIL
NIL	Motor Vehicles	NIL	NIL
2,218.59	Book Debts	3,187.39	3,187.39
	Bank Interest Gross	0.95	0.95
		<u>3,188.34</u>	<u>3,188.34</u>
	COST OF REALISATIONS		
	Specific Bond	20.00	20.00
	Statement of Affairs Fee	2,170.00	2,170.00
	Disbursements	47.62	47.62
	Employee Costs	280.00	280.00
	Statutory Advertising	216.00	216.00
	Bank Charges	8.30	8.30
		<u>(2,741.92)</u>	<u>(2,741.92)</u>
	PREFERENTIAL CREDITORS		
(3,821.95)	RPO re Arrears/Holiday Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(2,242.10)	Trade Creditors	NIL	NIL
(25,761.24)	RPO	NIL	NIL
(2,000.00)	Barclays Bank Plc - Overdraft	NIL	NIL
(12,835.91)	HMRC (non VAT)	NIL	NIL
(40,603.34)	HMRC (VAT)	NIL	NIL
(31,933.00)	Mr D J Briggs	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(114,078.95)		<u>446.42</u>	<u>446.42</u>
	REPRESENTED BY		
	Vat Receivable		546.72
	Bank 1 Current		2.66
	Vat Control Account		(102.96)
			<u>446.42</u>


Gareth David Rusling
Joint Liquidator



Stamp End Garage Ltd (In Creditors' Voluntary Liquidation)

Progress report

Period: 19 January 2018 to 18 January 2019

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

Contents

- ❑ Interpretation
- ❑ Company information
- ❑ Details of appointment of joint liquidators
- ❑ Progress during the period
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- ❑ Assets that remain to be realised and work that remains to be done
- ❑ Other relevant information
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- ❑ Appendices
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 - 2. Joint liquidators' time costs and disbursements
 - 3. Statement of joint liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Stamp End Garage Ltd (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of joint liquidators on 19 January 2018
"the liquidators", "we", "our" and "us"	Gareth David Rusling of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ Sheffield.North@Begbies-Traynor.com and Claire Elizabeth Dowson of Begbies Traynor (SY) LLP 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ Sheffield.North@Begbies-Traynor.com
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name:	Stamp End Garage Limited
Company registered number:	06144589
Company registered office:	Samson House, Edward Avenue, Newark, Nottinghamshire, NG24 4UZ
Former trading address:	Stamp End, Lincoln, LN2 5DS

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	19 January 2018
Date of liquidators' appointment:	19 January 2018
Changes in liquidator:	None

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 19 January 2018 to 18 January 2019.

Receipts

Book debts

During the period covered by this report there have been debtor ledger collections totalling £3,187.39.

Bank Interest Gross

Funds held in the estate bank account during the reporting period have earned gross bank interest of 95p.

Payments

Specific Bond

During the period the sum of £20.00 has been paid to Willis Limited in respect of the joint liquidators' statutory bond. This bond safeguards realisations into the estate for the benefit of the Company's creditors.

Statement of Affairs Fee

In accordance with the appropriate resolution, the sum of £2,170.00 plus VAT has been paid to Begbies Traynor (SY) LLP in respect of assistance provided in preparing the Company's statement of affairs.

Disbursements - mileage

The sum of £28.80 has been paid to Begbies Traynor (SY) LLP in relation to the mileage incurred by the joint liquidators.

Disbursements – postage

Postage costs totalling £18.82 have been incurred and paid in relation to the costs of circulating the initial report to creditors and the receipts and payments account to the Registrar of Companies.

Employee Costs

UK Employment Law Consultants ("UKELC") were instructed to correspond with former employees of the Company in relation to their redundancy and any arrears of wages. UKELC have been paid £280.00 in this regard.

Statutory Advertising

The sum of £216.00 plus VAT has been paid to EPE Reynell in relation to advertising the appointment of joint liquidators in the London Gazette.

Bank charges

Santander have been paid the sum of £8.30 in relation to the opening and maintenance of the estate bank account.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2.

General case administration and planning

The joint liquidators have completed works required to maintain the liquidation, including periodically reviewing the case to ascertain which works remain outstanding and progressing the case to ensure all statutory requirements have been completed during the course of the liquidation and, in readiness for annual progress reporting as and when required.

In addition, all statutory documentation which is required to be issued to the relevant parties during the course of the liquidation has been compiled and issued on or before the statutory due dates.

There will be no financial benefit to creditors from our work in this area. However, we have a duty to undertake this work and therefore these costs cannot be added.

Compliance with the Insolvency Act, Rules and best practice

The joint liquidators have incurred time notifying the relevant parties of their appointment including notifying the Company's creditors, members and the Registrar of Companies.

The joint liquidators have conducted periodic reviews to ensure that the liquidation is adequately bonded.

Time has also been spent opening the bank account for the case and carrying out regular bank reconciliations. Additional time has been spent processing the necessary receipts and payments into the account.

Whilst there is no direct financial benefit to creditors in us undertaking these duties, creditors will benefit from the information they will receive as a result. The aim of these statutory and best practice requirements is to ensure that creditors and other stakeholders are kept informed of the liquidation proceedings and are able to effectively participate in proceedings.

Investigations

As detailed in section 9 below, the joint liquidators have fulfilled their duties to enquire into the Company's affairs to determine whether any further actions should be undertaken. In addition, the conduct of the Company's directors has been considered in order to make the required submission to the Department for Business Energy and Industrial Strategy as required by the Insolvency Act and Rules.

Realisation of assets

The joint liquidators have spent time reviewing the Company's debtor ledger and a significant level of collections has been secured in relation to the same.

The above has provided financial benefit to the estate. We believe that by effectively managing the realisation of the Company's assets we have ensured that a maximum level of realisations has been achieved.

Trading

The Company has not traded during the term of the liquidation.

Dealing with all creditors' claims (including employees), correspondence and distributions

The joint liquidators have reviewed all works required in respect of creditors' claims received. They have also responded to all creditor queries received.

UKELC were instructed to assist in the submission of the Section 120 notice.

There is no financial benefit to the creditors but corresponding with creditors and dealing with any queries will benefit creditors by helping them understand the process and allowing them to be engaged in it.

Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures, tax, litigation, pensions and travel)

The joint liquidators have prepared and submitted Value Added Tax returns as required by HM Revenue & Customs.

They have also sought responses regarding the basis of the joint liquidators fees.

There is no direct benefit to the Company's creditors for this work but it fulfils one of the statutory obligations of the joint liquidators in undertaking this appointment.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs. On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows:

Secured creditor

There are no secured creditors to consider in this matter.

Preferential creditors

According to the Company's statement of affairs, there were no anticipated preferential claims and none have been received to date.

Unsecured creditors

Unsecured creditors were estimated at £89,614.35 and we have received claims in the total sum of £104,627.15. The main reason for the discrepancy between anticipated claims and actual claims received is due to the enhanced claim received from HM Revenue & Customs ("HMRC") for unpaid VAT – the estimated claim, according to the statement of affairs was £40,603.34 whereas the final claim from HMRC is £62,448.81.

On the basis of realisations to date we estimate an outcome for each class of the Company's creditors as follows:

Secured creditor

As mentioned above, there are no secured creditors to consider in this particular case.

Preferential creditors

As already clarified, there are no preferential creditors to consider in this matter.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if:

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured creditors

Based upon realisations to date it is anticipated there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors.

6. REMUNERATION & DISBURSEMENTS

Remuneration

Our remuneration has been fixed by a decision of the creditors on 12 February 2018 obtained via a decision procedure by way of correspondence. Creditors authorised that future remuneration be drawn by reference to the time properly given by us (as joint liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (SY) LLP in attending to matters arising in the winding up, as set out in the fees estimate dated 24 January 2018 in the sum of £17,107.50 and we are authorised to draw disbursements for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy, which is attached at Appendix 2 of this report.

Our time costs for the period from 19 January 2018 to 18 January 2019 amount to £10,379.50 which represents 58.2 hours at an average rate of £178.34 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- Time Costs Analysis for the period 19 January 2018 to 18 January 2019; and
- Begbies Traynor (SY) LLP's charging policy.

To 18 January 2019 we have not drawn any monies on account of our remuneration against the noted total time costs of £10,379.50 since the date of our appointment.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type.

Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only.

As can be seen from the information above, and the Time Costs Analysis, our fees estimate has not been exceeded. We are pleased to report that we do not anticipate that it is likely to be exceeded if matters progress to conclusion as envisaged.

Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to our appointment in assisting with the preparation of the statement of affairs and seeking the decisions of creditors on the nomination of joint liquidators were approved by the creditors on 19 January 2018.

Disbursements

To 18 January 2019 we have drawn disbursements in the sum of £47.62.

Why have subcontractors been used?

The services of UKELC were utilised due to their experience of dealing with similar matters.

Category 2 Disbursements

In accordance with the resolution obtained in relation to disbursements, the following Category 2 disbursements have been charged to the case since the date of our appointment:

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Postage	18.82
Mileage	28.80
TOTAL	47.62

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2017' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. JOINT LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3.

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the liquidation would total £361 + VAT, where applicable, plus 5% of realisations on collection of the Company's debtor ledger. Unfortunately, the expenses that we have incurred so far have exceeded that estimate and there will be further expenses to pay before the case concludes. The reason why the estimate has been exceeded already is due to the costs of the provision of employee advice and support services by UKELC which was not envisaged at the outset of the case.

8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

Assets that remain to be realised

According to the valuation of the Company's assets, provided by Eddisons Commercial Limited on behalf of the joint liquidators, there was furniture and equipment with a book value of £210.00. The joint liquidators have not received any offers for these assets and it is not considered cost effective to uplift and attempt to sell them. No income is therefore expected from the same.

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

The joint liquidators will continue to progress the case, including performing periodic reviews to ensure that deadlines are met and that the case is passed for closure when possible. The case will also require ongoing banking duties.

Effective case management and planning benefits the Company's creditors as it ensures that the liquidation is progressed in a strategic manner.

Compliance with the Insolvency Act, Rules and best practice

The joint liquidators will continue to produce annual progress reports as required by the Insolvency Act and Rules and upon completion of all matters will produce a final report, circulate it to the Company's members and creditors and file information with the Registrar of Companies.

The joint liquidators must also perform periodic reviews to ensure that the case is adequately bonded.

There will not be any financial benefit to the Company's creditors from the above works being undertaken, however, as such works are required by statute, the costs of completing the same cannot be avoided.

Investigations

There are no further investigations to conclude; therefore no further time will be spent in this regard.

Realisation of assets

The realisations from debtor ledger collections were higher than anticipated in the statement of affairs and we can confirm that the ledger has now been collected as fully as possible. No further realisations are therefore anticipated in this regard.

Trading

The Company has not and will not trade during the remaining term of the liquidation.

Dealing with all creditors' claims (including employees), correspondence and distributions

The joint liquidators will deal with creditor queries as and when received.

There is no financial benefit to the creditors; however the joint liquidators are required to respond to such queries to ensure the case runs as smoothly as possible.

Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedure, tax, litigation, pensions and travel

The joint liquidators will continue to complete tax returns as required until the closure of the liquidation.

This work does not provide a financial benefit to the Company's creditors but the filing of these returns is a statutory requirement of the joint liquidators.

How much will this further work cost?

We anticipate costs to closure will be no more than £3,000.00. Due to the limited realisations in the case and time costs already incurred it is not anticipated that these costs will be discharged and they will be written off upon the closure of the case.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as set out in the estimate of anticipated expenses sent to creditors on 24 January 2018 which included all of the expenses that we anticipate that we will incur throughout the liquidation.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

Right to request further information

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the Court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to Court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the Court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.



Gareth David Rusling
Joint Liquidator

Date: 28 February 2019

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 19 January 2018 to 18 January 2019

**Stamp End Garage Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 18/01/2019**

S of A £		£	£
	ASSET REALISATIONS		
3,000.00	Furniture & Equipment	NIL	
NIL	Motor Vehicles	NIL	
2,218.59	Book Debts	3,187.39	
	Bank Interest Gross	0.95	
			3,188.34
	COST OF REALISATIONS		
	Specific Bond	20.00	
	Statement of Affairs Fee	2,170.00	
	Disbursements	47.62	
	Employee Costs	280.00	
	Statutory Advertising	216.00	
	Bank Charges	8.30	
			(2,741.92)
	PREFERENTIAL CREDITORS		
(3,821.95)	RPO re Arrears/Holiday Pay	NIL	
			NIL
	UNSECURED CREDITORS		
(2,242.10)	Trade Creditors	NIL	
(25,761.24)	RPO	NIL	
(2,000.00)	Barclays Bank Plc - Overdraft	NIL	
(12,835.91)	HMRC (non VAT)	NIL	
(40,603.34)	HMRC (VAT)	NIL	
(31,933.00)	Mr D J Briggs	NIL	
			NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	
			NIL
(114,078.95)			446.42
	REPRESENTED BY		
	Bank 1 Current		2.66
	Vat Control Account		443.76
			446.42

Gareth David Rusling
Joint Liquidator

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (SY) LLP's charging policy; and
- b. Time Costs Analysis for the period from 19 January 2018 to 18 January 2019.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Car mileage is charged at the rate of 45 pence per mile;
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates
- Postage at the actual rate incurred.

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

Expenses which should be treated as Category 2 disbursements (approval required) – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

Services provided by other entities within the Begbies Traynor group

The following items of expenditure which relate to services provided by an entity within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

Instruction of *BTG Corporate Solutions* to provide *debt collection services*. Their charges will be calculated on a percentage basis. Their fee will be equivalent to 5% of realisations and disbursements.

Instruction of Eddisons Commercial Limited to provide assistance with selling the Company's office equipment. Their charges will be calculated at 10% of realisations plus time costs and disbursements for a valuation of the same, at the prevailing hourly rates for their various trades of staff which are current as follows:

Grade of staff	Charge-out rate (£ per hour)
Director	£275
Associate	£180
Surveyor	£120
Graduate	£100
Administration	£80
Porters	£35

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

Additional payments received by Eddisons Commercial Limited from purchasers where assets are disposed of by way of auction

In addition to the charges of Eddisons Commercial Limited detailed above for providing the services to the office holder, where any machinery and business assets (other than freehold/leasehold property) are disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's premium, equivalent to 15% of the successful bid. Where any freehold/leasehold property is disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's administration fee, in the sum of £600. It is standard auction industry practice for a buyer's premium and buyer's administration fee to be charged. The buyer's premium and buyer's administration fee is paid by the purchaser of the assets and is not paid by the office holder from the assets of the estate.

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Sheffield office for the period covered by this report are as follows:

Grade of staff	Charge-out rate (£ per hour) 1 May 2011 – 2 December 2018
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	60 - 110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

These charge out rates have changed recently and will apply as follows going forward:

Grade of staff	Charge-out rate (£ per hour) 3 December 2018 – until further notice
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Cashier	140
Secretarial	140

SIP9 Stamp End Garage Ltd - Creditors Voluntary Liquidation - 91ST618.CVL : Time Costs Analysis From 19/01/2018 To 18/01/2019

[illegible]

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Postage	Royal Mail	18.82	18.82	Nil
Statutory Advertising	EPE Reynell	216.00	216.00	Nil
Employee Advice	UKELC	280.00	280.00	Nil
Bank charges	Santander	8.30	8.30	Nil
Expenses incurred with entities within the Begbies Traynor Group				
Mileage	Begbies Traynor (SY) LLP	28.80	28.80	Nil